

## CALIFORNIA ENERGY COMMISSION

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SACRAMENTO, CA 95814-5512

March 3, 2005

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CALIF ENERGY COMMISSION

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Les Guliasi  
Director, State Agency Relations  
Pacific Gas & Electric Company, Mail Code B29L  
P.O. Box 770000  
San Francisco, CA 94177-0001

RE: APPLICATION FOR DESIGNATION OF CONFIDENTIALITY  
Electricity Demand Forecast Data, Docket No. 04-IEP-1D

Mr. Guliasi:

On February 2, 2005, Pacific Gas & Electric Company (PG&E) filed Electricity Demand Forecast forms 1.3, 1.4, 1.5, and 1.6 with the California Energy Commission (Energy Commission) for use in the 2005 Integrated Energy Policy Report (IEPR) proceeding. As part of that filing, PG&E also submitted an application seeking confidentiality for the information submitted.

PG&E's application for confidentiality (application) states, in part:

Forms 1.3, 1.4, 1.5 and 1.6 provide competitively and commercially sensitive business and resource planning information and trade secrets. . . . First, these forms contain annual or hourly demand forecast information that relatively easily allows a party to calculate PG&E's current energy supply needs on a disaggregated (monthly and hourly, bundled and direct access, and/or weather-adjusted) basis. . . . Second, to release this information publicly would allow market participants to have access to competitively sensitive information that would normally not be available to them in this form or format.

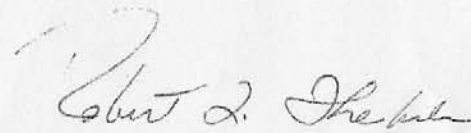
The California Public Records Act allows for non-disclosure of trade secrets. (Gov. Code, § 6254(k), Evid. Code, § 1060.) The California Courts have traditionally used the following definition of trade secret:

a trade secret may consist of any formula, pattern, device or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it. . . . (*Uribe v. Howie* (1971) 19 Cal.App.3d 194, 207-208, 96 Cal.Rptr. 493, 500-501, from the Restatement of Torts, vol. 4, sec. 757, comment b, p. 5.)

PG&E's application makes a reasonable argument under the Energy Commission's regulations for classifying some of the information you have submitted as confidential since it falls within the definition of trade secret. Information about the sensitivity of PG&E's demand to temperature variations could provide bidders a competitive advantage. Accordingly, the information contained in form 1.5 and labeled "1-in-5 Temp.," "1-in-10 Temp.," and "1-in-20 Temp." is given confidentiality for three years from the date of this letter. Likewise, information about PG&E's typical bundled customer hourly load shape could provide bidders a competitive advantage. While information on historic hourly loads for the entire PG&E service area is publicly available through FERC Form 714, that historic data is based on the loads of all end-users in the PG&E service area that make it difficult to derive the forecast load shape for just PG&E's bundled load. Therefore, the hourly load forecast contained in form 1.6 is also given confidentiality for three years from the date of this letter. The other information contained in form 1.5, i.e. the average annual growth rates, is deemed public since the information does not meet the criteria of a trade secret. Finally, the coincident peak demand by sector in form 1.3 and the distribution area peak demand in form 1.4 are deemed public and will not be given confidentiality since the annual net peak numbers are insufficient to arrive at hourly net short forecasts—commercially sensitive information.

The procedures and criteria for appealing this decision are set forth in the California Code of Regulations, title 20, section 2505. Be advised that an appeal of this decision, to deny your application, must be filed within fourteen days from my decision. If you have any further questions regarding this decision, please contact Fernando De Leon, Senior Staff Counsel, at (916) 654-4873.

Sincerely,



ROBERT L. THERKELSEN  
Executive Director

cc: Docket Unit